

ATTACHMENT V7

SECURITY ASSISTANCE PROGRAM (SAP) SHIPMENT TRANSPORTATION ACCOUNT CODES (TACS)

A. PURPOSE

1. This attachment provides definitions, instructions, and other information pertaining to the assignment of TACs to Department of Defense (DOD) sponsored shipments of SAP materiel. The SAP encompasses Foreign Military Sales (FMS) and Grant Aid (formerly referred to as Military Assistance Program (MAP). Details of the SAP are set forth in DOD 5105.38-M, Security Assistance Management Manual (SAMM), and this Regulation Appendix E.

B. GENERAL INFORMATION

1. The alphabetic characters listed in Table V7-1 will be used for compiling FMS and Grant Aid TACs, and will identify the Sponsoring Service. The second, third, and fourth positions can be either numeric or alphabetic.
2. References.
 - a. DOD 5105.38-M, Security Assistance Management Manual (SAMM).
 - b. DOD 4000.25-1-M, Military Standard Requisitioning and Issuing Procedures (MILSTRIP).
 - c. DOD 4000.25-2-M, Military Standard Transaction Reporting and Accounting Procedures (MILSTRAP).
3. Definitions.
 - a. FMS. That portion of the United States (US) SAP authorized by the Foreign Assistance Act of 1961, as amended, and the Arms Export Control Act of 1976, as amended, which furnishes defense articles and defense services to foreign governments and international organizations on a reimbursable basis. Sales are conducted on the basis of formal contracts or agreements between these governments and organizations and the US Government. The sales are government-to-government and may be furnished from DOD stocks or through DOD-managed contracts. DOD, not the vendor, is the seller; therefore, all contracts will be written as Free-on-Board Origin so that a DOD Contract Administrator can accept materiel at origin and process shipments In Accordance With (IAW) DOD regulations. Funding for this program may be by cash, credit, non-repayable credit or grant. Shipments are processed under FMS procedures, regardless of the type of funding.

- b. Grant Aid Program. That portion of the US SAP authorized by the Foreign Assistance Act of 1961 as amended, which provides defense articles and services to recipients on a non-reimbursable (grant) basis. Grant Aid Programs are sometimes used for special operations, such as for the United Nations. In these instances, the US Service and its command(s) will furnish full instructions and billing addresses, which are directing the operation. Grant Aid Programs also include, but are not limited to, International Military Education and Training (IMET), Excess Defense Articles (EDA) and Presidential Determinations (PD). Below is a more detailed explanation of each program.
 - (1) IMET. Formal or informal instruction provided to foreign military students, units, and forces on a nonreimbursable grant basis by officers or employees of the US, contract technicians, and contractors. Instruction may include correspondence courses; technical, educational, or informational publications; and media of all kinds. IMET is identified by inventory control point, Type of Assistance Code “1” in the fourth position of Grant Aid TACs and in the sixth position of IMET MILSTRIP requisitions and Transportation Control Numbers (TCNs) used to requisition and move any materiel involved.
 - (2) EDA. EDA materiel is applied collectively to US defense articles that are no longer needed by the US armed forces. Such defense articles may be made available for sale as FMS cases or as grant transfers to eligible countries. EDA items must be drawn from existing DOD stocks. When Grant Aid procedures are followed, an A will appear in the fourth position of the TAC and in the sixth position of MILSTRIP requisitions and TCNs used to requisition and move the materiel.
 - (3) PD. Emergency situations not covered by any other SAP that require immediate military assistance to a foreign country or international organization. Section 506 of the Foreign Assistance Act authorizes emergency draw downs for these situations. The PD provides neither funds nor contracts authority. Therefore, it only authorizes drawdown of current DOD stocks and the use of non-contractual services, e.g., Air Mobility Command airlift or Military Surface Deployment and Distribution Command-arranged ocean lift, and training from DOD resources. The PD also has a fixed dollar ceiling and a predetermined duration (usually 120 days). PDs are identified by Type Assistance Code “C” in the fourth position of Grant Aid TAC and the sixth position of the MILSTRIP requisitions and TCNs used to requisition and move the materiel involved.
- c. FMS Case Designator. A unique designator assigned by the Implementing Agency to each FMS case. The designator originates with the offer of a sale, identifies the case through all subsequent transactions, and is generally a three-letter designator.
- 4. FMS/Grant Aid TAC Coordination/Assistance. The TAC focal points of contact, Table V7-2, will provide assistance in unusual TAC assignment problems that cannot otherwise be resolved through research and use of this regulation:
- 5. Appropriations Chargeable. Inland continental US (CONUS) transportation charges for FMS shipments may be processed in one of the following ways:
 - a. Collect – No Bill of Lading (BL). Applies to Delivery Term Code (DTC) 4 (non-Defense Working Capital Fund (DWCF) funded) and DTC E FMS Shipments. Supply depots will release materiel under this DTC following normal MILSTRIP release procedures. Based on a Materiel Inspection and Receiving Report (DD Form 250, Figure 210-15) that documents acceptance of materiel by the US Government at the vendor’s facility, a DOD Contract

Administrator's Transportation Office (TO) will also process a DTC 4 shipment IAW MILSTRIP release procedures. The vendor will be instructed to ship materiel to a CONUS-located customer country freight forwarder on a Collect Commercial Bill of Lading (CCBL). Regardless of the source of materiel, the releasing TO will sign the "No Recourse" Clause on the face of the CCBL IAW this regulation. A DTC of 4 will not be assigned to any requisition/material release order for DWCF materiel. However, if this does happen, the materiel will be shipped pre-paid as DTC 5 citing the DWCF for inland CONUS transportation.

NOTE: Prepay and Add procedures apply if DTC 4 shipment is a small parcel. Shipment will be handled as DTC 5 using FMS Transportation funds. Shippers are responsible for advising the materiel item manager. The materiel management agency is responsible for initiating billing adjustments with the Defense Finance and Accounting Service-Denver Center.

- b. Shipment under the FMS Trust Fund Transportation Cost Clearing Account (L009 Account) can apply to all of the following DTCs: 2, 3, 5, 6, 7, 9, or 8 and A, B, C, D, F, G, or H. However, for the numeric DTCs, it will apply only if the items involved are not DWCF materiel. Inland CONUS transportation of DWCF materiel will be funded by the DWCF. Supply depots will follow normal MILSTRIP release procedures when shipping materiel under the FMS Cost Clearing Account. Based on Material Inspection and Receiving Reports (DD Forms 250) that document acceptance of materiel by the US Government at vendors' facilities, DOD Contract Administrator TOs must also determine whether the FMS Transportation Cost Clearing Account or a DWCF applies to inland CONUS transportation. They will then process shipments following the same MILSTRIP release procedures. According to the DTC, materiel will be shipped to a customer country's CONUS-located freight forwarder (DTC 5), to a DOD CONUS Seaport of Embarkation (SPOE) or Aerial Port of Embarkation (APOE) (DTC 3, 6, 7, 8, or 9), or to a CONUS staging area other DOD activity (DTC 2). Freight shipments will be under a BL or a DOD-approved prepaid commercial BL citing the FMS Trust Fund Transportation Cost Clearing Account (see below). Small parcels will be shipped via a qualified small parcel carrier and billing processed with the materiel manager.
- c. Except for DTC 4 Collect shipments and shipments of DWCF materiel, the accounting classification shown in Table V7-3, will apply to all FMS inland CONUS transportation costs (does not extend beyond CONUS-located customer country freight forwarder or DOD CONUS-located customer country freight forwarder or DOD CONUS port of embarkation [POE]):
- d. Shipment under DWCF Transportation Funds. Can apply to DTCs 2, 3, 5, 6, 7, 8 and 9. DWCF materiel currently includes inland CONUS transportation in the selling price of the materiel. DWCF FMS shipments will terminate at a CONUS-located customer country freight forwarder (DTC 5), a DOD CONUS SPOE or APOE (DTC 6, 7 and 9), or a CONUS staging point or other DOD activity (DTC 2). Although DTC 4 will never apply to a DWCF item, some requisitions for this materiel may erroneously bypass requisitioning edit checks with DTC 4 in them. Shipping activities will process these as DTC 5 shipments citing the DWCF for inland CONUS transportation.
- e. FMS Assembly Actions. At times, a materiel management command must bring several parts, subassemblies, and Government Furnished Materiel (GFM) together to produce an end item requisitioned under the FMS program. Whenever this is done, the parts, subassemblies and GFM is shipped under a command's own requisition number or other FMS tracking

number to the assembly location of the end item. After the end item is completely assembled, it is normally shipped to the final destination under a FMS Document Number as either a collect commercial shipment (to the FMS freight forwarder) or shipped IAW the delivery term code from the Letter of Offer and Acceptance (FMS Case). Since movement of parts, GFM, and subassemblies to assembly locations is part of the cost of the end item, the materiel management command uses a fund citation that allows the command to account for these costs and bill them as “above-the-line” costs directly to the FMS case which is being used to purchase the end items. Also, unless the materiel is DWCF funded, the fund cite will be the same regardless if the parts, GFM, and subassemblies come from procurement or from depots. The accounting classifications shown in Table V7-4,

- f. Table V7-5, and
- g. Table V7-6 depict the format used by the IAs for these shipments:
- h. Decision Table: Identifying FMS Requisitions/TCNs versus Grant Aid Requisitions/TCNs.
 - (1) FMS. FMS requisitions always contain a DTC in record position (rp) 34. The DTC will either be a 2, 3, 4, 5, 6, 7, 8, or 9 for outbound sales shipments or an A, B, C, D, E, F, G, H, or J for Repair and Return/Maintenance Support Agreement two-way shipments. Explanations of these DTCs are found in Appendix E of this regulation. The fifth position of an FMS shipment’s TCN corresponds to rp 34 of an FMS requisition. Therefore, the fifth position of the TCN for a SAP FMS shipment will be one of the DTCs shown above for rp 34 of an FMS requisition.
 - (2) Grant Aid requisitions do not have a DTC. Instead of a DTC, rp 34 will contain a zero (0). The zero will also appear in the fifth position of a Grant Aid TCN.
 - (3) Table V7-7 is a guide to locating the different FMS or Grant Aid data elements in SAP shipping documents and TCNs (**NOTE:** DD Form 1348-1A, Issue Release/Receipt Document, [Figure 202-7] is the shipping document used by DOD and General Service Administration storage activities, and it contains the 80 rp format. DD Form 250 is the shipping document used for items procured for FMS customers and shipped by DOD Contract Administration activities. It does not have an 80 rp format and DTCs for requisitions are located in the same positions as in TCNs):
- i. SAP (FMS and Grant Aid) Transportation Account Code (TAC) Construction.
 - (1) FMS. Table V7-8 depicts construction of FMS TACs.
 - (2) Grant Aid. Table V7-9 provides criteria to follow in developing Grant Aid TACs.
- j. Retrograde of FMS Cargo (Supply Discrepancy Report (SDR) Returns).
 - (1) If the US Government acknowledges fault in response to a SDR, Standard Form 364 (Figure 210-4), filed by an FMS customer for incorrect or defective materiel, the involved US Sponsoring Service’s materiel managers may direct return of the materiel to a CONUS-located storage or repair facility. Other options include local disposal in customer country. Return instructions will be furnished to a Customer Country in a DD Form 1348-1A format. Record positions 48-50 of the DD Form 1348-1A will show the FMS Case designator that was used for the original purchase of the materiel. The DD

Form 1348-1A instructions will also include a TAC for overocean movement of the discrepant materiel and a fund citation for inland movement.

- (2) SDR Return TACs will be constructed with “III” entered in the 3rd, 4th, and 5th positions. The first position will contain the US Service Code of the US Service directing the return. The possible SDR Return TACs are as follows:

US Army: BIII US Air Force: DIII
 US Navy: PIII US Marine: KIII
 US DLA: SIII

- (3) Fund citations for inland (or overocean commercial) transportation of SDR returns will be as indicated in Table V7-10 (citation construction and breakdown is identical for FMS fund cite explained in Paragraph 5.g.(2) except for substitution of III for FMS case designator):

k. Billing Information

- (1) Billing Addresses.

- (a) FMS. Transportation costs for all FMS materiel will be billed to:

- 1 Overocean Transportation Costs (including port loading/unloading) incurred for authorized movement of FMS materiel, including SDR returns, via the DTS will be billed to the following address by the transportation operating agencies:

Director
 Defense Finance and Accounting Service – Denver Center
 Security Assistance Accounting Center
 Attn: DFAS-DE/IRCI
 6760 East Irvington Place
 Denver, CO 80279-2000

- (b) Billings for inland CONUS transportation of US Army and Air Force sponsored shipments of FMS materiel on BLs will be addressed to the following:

Directorate of Transportation Payments
 Defense Finance and Accounting Service – Indianapolis Center
 8899 East 56th Street
 Indianapolis, IN 46249-0601

- (c) Navy, Marine Corps and Defense Logistics Agency billing addresses will be verified with those services or agencies.

- 1 Grant Aid Procedure Shipments. Billing will be IAW the Grant Aid type program that is being processed. Normally, billing instructions will be furnished by the sponsoring US Service or subordinate command involved.

Table V7-1. First Position of the TAC

Sponsoring Service	FMS/Grant Aid TAC will be:
Army	B
Air Force	D

Sponsoring Service	FMS/Grant Aid TAC will be:
Navy	P
Marine Corps	K
Defense Logistics Agency	S

Table V7-2. TAC Points of Contact

Service	Address
Army	Commander U.S. Army Security Assistance Center Attn: AMSAC-OL-LS-CS 54 M Ave. Suite 1 New Cumberland, PA 17070-5096 Telephone: DSN: 977-6843 Commercial: 717 770-6843
Air Force	HQ AFMC/LGTT Traffic Management Branch 4375 Chidlaw Road, Bldg. 262, Rm. B117 Wright-Patterson AFB, OH 45433-5006 Telephone: DSN: 787-3422/5631/2919/5389 Commercial: 937 257-3422/5631/2919/5389
Navy	Navy Material Transportation Office SWT/TAC MGNT (Code 011) Norfolk, VA 23511-6691 Telephone: DSN: 646-5322/5328/5333 Commercial: 757 443-5322/5328/5333
Marine Corps	Commandant of the Marine Corps Code LPD-1 Washington, DC 20380-0001 Telephone: DSN: 225-7930 Commercial: 703 695-7930

**Table V7-3. FMS Accounting Classification
9711X8242 L009 8401 &@!! GBL S843000**

Entry	Instructions
97	Department of Defense
11X8242	Foreign Military Sales Trust Fund
	Space
L009	DOD FMS Transportation Cost Clearing Account
L0	Pseudo Country Code
09	Department of Defense
	Space
8401	Allotment Serial Number
	Space
&	Insert two-position FMS Country Code
@	Insert one-digit Implementing Agency (IA) code
!!	Insert three-character alpha master case designator
	Space
GBL	Insert "GBL"
S843000	Accounting and Disbursing Station Number

Note 1: This fund citation is a constant that does not have to be reissued every year. Its currency is maintained by the FMS case data that is part of it.

Note 2: Under Electronic Data Interchange format, the above fund citation will appear as follows: 97 X8242L0090000840191X000000000843000.

Table V7-4. Air Force Accounting Classification- Direct Cite (“above-the-line”)
9711X8242.&& 4FX \$\$\$\$ N!!!&& ^^^ +++000**

Entry	Instructions
97	Department of Defense
11X8242	Foreign Military Sales Trust Fund
&&	Insert two-digit country code, e.g., JA = Japan
**	Insert two-digit implementing agency code, e.g., 02 =USAF
4F	Insert Fund Code “4F” (direct cite of FMS case funds)
X	Insert X (there is no fiscal year identifier)
\$\$\$\$	Insert Operating Budget Account Number (OBAN)
N	Insert non-contract code “N”
!!!	Insert three-character alpha master FMS Case Designator
&&	Insert two-digit country code (JA = Japan)
^^^	Insert the Element of Expense/Investment Code (EEIC), e.g., 463 = comm surface trans. Note: This is an optional entry.
+++	Insert three-digit FMS Line Item Number (i.e., 001)
000	Insert three zeros to fill positions
_____	Insert the six digit Accounting and Disbursing Station Number (ADSN) of the Air Force Base or center managing the funds (not DFAS-Denver)

Table V7-5. Army Accounting Classification- Direct Cite (“above-the-line”)
97-11X8242.&& % \$\$\$\$\$\$!!!+++ ^^^^**

Entry	Instructions
97	Department of Defense
11X8242	Foreign Military Sales Trust Fund
&&	Insert two-digit country code, e.g. JA = Japan
**	Insert two-digit Implementing Agency (IA) code, e.g., 02=Army
%	Insert Program Year (PY)/Fiscal Year (FY) code
\$\$\$\$\$\$	Insert six-digit Operating Agency (OA)/Allotment Serial Number (ASN) code
!!!	Insert three-character alpha master FMS case designator
+++	Insert three-digit FMS line item number
^^^^	Insert four-digit Element Of Resource (EOR) code
_____	Enter six-digit fiscal station number (not DFAS-Denver)

**Table V7-6. Navy Accounting Classification-(“above-the-line”)
97-11X8242.**&& \$\$\$\$\$ 0 AAA >> PAA CC SDN**

Entry	Instruction
97	Department of Defense
11X8242	Foreign Military Sales Trust Fund
**	Insert two-position System Code, e.g., 28 = MISIL
&&	Insert two-digit Country Code, e.g., GR = Greece
	Insert the three-digit Object Class (OC). Use “000”
\$\$\$\$\$	Insert five-digit Bureau Control Number (BCN)
0	Insert “0” for Sub-code
AAA	Insert the six-digit Authorized Accounting Activity (not DFAS Denver)
>>	Insert two-position Type Code (TC)
PAA	Insert the Property Accounting Activity (PAA) code. Note: for Security Assistance requisitions citing FMS or Grant Aid appropriations, the PAA is the first 6-positions of the MILSTRIP requisition number.
CC	Insert the 12 position alphanumeric Cost Code (CC). Positions 1-4 = Julian date, 5-8 = Document Serial Number, 9 = Suffix Code, 10-12 = FMS Case
SDN	Insert the 15 position alphanumeric Standard Document Number (SDN). Position 1-6 = the System Command’s DODAAC, 7-8 = fiscal year, 9-15 = Miscellaneous Document Transportation Record (MDTR) number

Note 1: The IAs illustrated standard accounting classifications can vary between Commands/Centers. Questions regarding the correct format/information in the funds citation will be directed to the IAs Financial Services Office.

Note 2: The Assembly actions described above should not be confused with “consolidations” which are used to gather multiple shipments at a staging or consolidation depot for subsequent movement to an FMS customer or Grant Aid recipient. Under transportation procedures, these consolidation depots constitute In Transit Stopoffs. As such, they have the same status as a POE or Port of Debarkation. Shipments held at these activities maintain their Shipment Unit integrity. Consolidation points do not open or break down Shipment Units. Since these shipments move from DOD activity to DOD activity, they follow Defense Transportation System (DTS) procedures. Funding will be either from the FMS Trust Fund Transportation Cost Clearing Account or from DWCF accounts, depending on source of the materiel. Subsequent movement will be made under the same TCNs as applied to the arriving Shipment Units. Onward movement will never use a DWCF account for inland CONUS transportation. They may be either prepaid (using the FMS Transportation Fund) or collect commercial based on the terms of an FMS Letter of Offer and Acceptance (FMS Case).

Table V7-7. Location of Data Elements

Data Element	Record Position On DD Form 1348-1A	Position In TCN Or In Requisition Number Found In A DD Form 250
Sponsoring US Service Code	30	1 st
Customer Country/International Organization Code	31 and 32	2 nd and 3 rd
Customer within Country Code	33	4 th
FMS Delivery Term Code SAP/Grant Aid zero entry	34*	5 th
Type Assistance/Finance Code	35	6 th

*Must be either a numeric 2, 3, 4, 5, 6, 7, 8, or 9 or an alpha A, B, C, D, E, F, G, H, or J in rp 34 to identify the shipment as FMS. Grant Aid shipments do not have DTCs that apply; therefore, rp 34 will always be a zero (0).

Table V7-8. Construction of FMS TACs

TAC Position	Data Element	MILSTRIP Requisition Record Position (s) Used For This Data Element	Element As Entered In Completed TAC
1st	Implementing Agency/US Sponsoring Service Code	30	B=US Army D= US Air Force P= US Navy K= US Marine S= DLA
2 nd -4 th	FMS Case Designator	48-50	Enter FMS Case exactly as it appears in rp 48-50 of DD Form 1348-1A or in the blocks of a DD Form 250 or a DD Form 1155

NOTE: TACs will never be constructed with the FMS Customer Country purchasing service code that is found in rp 45 of a MILSTRIP requisition.

FMS Transportation Account Code Examples:

BUKV

_____ FMS Case Designator
B for US Army sponsored

PVGR

____FMS Case Designator
P for US Navy sponsored

Table V7-9. Construction of Grant Aid TACs

TAC Position	Data Element	MILSTRIP Requisition Record Position (s) Used For This Data Element	Element As Entered In Completed TAC
1st	Implementing Agency/ US Sponsoring Service Code	30	B=US Army D=US Air Force P=US Navy K=US Marine S= DLA
2 nd & 3 rd	Recipient Country Code	31-32	Two Character alpha or alpha-numeric code (Appendix B20 of DOD 4000.25-1-M, DOD MILSTRIP Manual
4 th	Type Assistance Code	35	One character alpha or numeric code (definitions found in Appendix B22 of DOD 4000.25-1-M, DOD MILSTRIP Manual

Examples of Grant Aid TACs

BTK1

		Type Assistance (IMET)
		TK for Turkey
		B for Army-sponsored

DSPC

| | ☐ Type Assistance (506 PD)
| | ☐ SP for Spain
| | ☐ D for Air Force sponsored

**Table V7-10. SDR Returns Accounting Classification
9711X8242 L009 8401 &@III GBL S843000**

Entry	Instruction
97	Department of Defense
11X8242	Foreign Military Sales Trust Fund
	Space
L009	DOD FMS Transportation Cost Clearing Account
	Space
8401	Allotment Serial Number
	Space
&	Insert two character FMS Country Code
@	Insert one character Implementing Agency Code
III	Designates a SDR return shipment
	Space
GBL	Insert "GBL"
S843000	Accounting Disbursement Station Number (DFAS-DE)